## **AMENDMENT TO THE CLAIMS**

This listing of claims will replace all prior versions, and listings, of claims in the applications:

## **Listing of Claims:**

Claims 1-83 (canceled)

- 84. (new) A method for assaying for modulators of  $\beta$ -secretase activity, comprising:
- (a) contacting a polypeptide with β-secretase APP processing activity with a substrate, both in the presence and in the absence of a putative modulator compound;

wherein said substrate comprises a peptide having an amino acid sequence of at least 6 amino acids, said amino acid sequence including four amino acids defined by formula P<sub>2</sub>P<sub>1</sub>-P<sub>1</sub>·P<sub>2</sub>, wherein:

P<sub>2</sub> comprises an amino acid selected from the group consisting of N, L, K, S, G, T, D, A, Q and E;

P<sub>1</sub> comprises an amino acid selected from the group consisting of Y, L, M, Nle, F and H;

P<sub>1</sub> comprises an amino acid selected from the group consisting of E, A, D, M, Q, S and G;

 $P_{2'}$  comprises an amino acid selected from the group consisting of A, V, N, T, L, F and S;

wherein the substrate is cleaved between  $P_1$  and  $P_{1'}$  by a human aspartyl protease encoded by the nucleic acid sequence of SEQ ID NO: 1 or SEQ ID NO: 3 (Hu-Asp2); and

wherein said peptide does not comprise the corresponding P<sub>2</sub>P<sub>1</sub>-P<sub>1'</sub>P<sub>2'</sub> portion of amino acid sequence depicted in SEQ ID NO: 19, SEQ ID NO: 20, SEQ ID NO: 21, SEQ ID NO: 26, SEQ ID NO: 27, SEQ ID NO: 28, SEQ ID NO: 31, SEQ ID NO: 32, SEQ ID NO: 33, SEQ ID NO: 34, SEQ ID NO: 35, SEQ ID NO: 36, SEQ ID NO: 37, SEQ ID NO: 38, or SEQ ID NO: 39;

- (b) measuring cleavage of the substrate peptide in the presence and in the absence of the putative modulator compound; and
- (c) identifying modulators of  $\beta$ -secretase activity from a difference in substrate cleavage in the presence versus in the absence of the putative modulator compound, wherein a modulator that is a  $\beta$ -secretase antagonist reduces such cleavage and a modulator that is a  $\beta$  secretase agonist increases such cleavage.

## 85. (new) The method of claim 84,

wherein said substrate comprises a peptide having an amino acid sequence of at least 6 amino acids, said amino acid sequence including five amino acids defined by formula  $P_2P_1$ - $P_1$ - $P_2P_3$ , and

wherein  $P_{3'}$  comprises an amino acid selected from the group consisting of E, G, F, H, cysteic acid and S.

86. (new) The method of claim 84, wherein the peptide comprises a sequence of amino acids defined by the formula  $P_2P_1$ - $P_1$  $P_2P_3$ , wherein

P<sub>2</sub> comprises an amino acid selected from the group consisting of N, S, and D;

P<sub>1</sub> comprises an amino acid selected from the group consisting of Y, F and L;

P<sub>1</sub> comprises an amino acid selected from the group consisting of E, A, and D;

P<sub>2'</sub> comprises an amino acid selected from the group consisting of A and V;

P<sub>3'</sub> comprises an amino acid selected from the group consisting of E, G, F, H, cysteic acid and S.

87. (new) The method of claim 84, wherein the peptide comprises a sequence of amino acids defined by the formula P<sub>2</sub>P<sub>1</sub>-P<sub>1</sub>·P<sub>2</sub>P<sub>3</sub>, wherein

K;

P<sub>2</sub> comprises an amino acid selected from the group consisting of S, N, F, and

 $P_1$  comprises an amino acid selected from the group consisting of F, L, Y, and M;

 $P_1$  comprises an amino acid selected from the group consisting of E, D, and A;  $P_2$  comprises an amino acid selected from the group consisting of A and V;  $P_3$  is E.

- 88. (new) The method of claim 84, wherein the peptide comprises a sequence of amino acids defined by the formula P<sub>3</sub>P<sub>2</sub>P<sub>1</sub>-P<sub>1</sub>·P<sub>2</sub>·P<sub>3</sub>·, wherein P<sub>3</sub> is an amino acid selected from the group consisting of A, V, I, S, H, Y, T and F.
- 89. (new) The method of claim 88, wherein P<sub>3</sub> comprises an amino acid selected from the group consisting of I or V.
- 90. (new) The method of claim 90, wherein the peptide comprises a sequence of amino acids defined by the formula P<sub>4</sub>P<sub>3</sub>P<sub>2</sub>P<sub>1</sub>-P<sub>1</sub>·P<sub>2</sub>P<sub>3</sub>· wherein P<sub>4</sub> is an amino acid selected from the group consisting of E, G, I, D, T, cysteic acid and S.
- 91. (new) The method of claim 90, wherein the peptide comprises a sequence of amino acids defined by the formula  $P_4P_3P_2P_1 P_1 \cdot P_2P_3 \cdot P_{4'}$ , wherein  $P_{4'}$  is an amino acid selected from the group consisting of F, W, G, A, H, P, G, N, S, and E.
- 92. (new) The method of claim 84, wherein the amino acids at positions P<sub>2</sub>, P<sub>1</sub>, P<sub>1'</sub>, P<sub>2'</sub> comprise N, F, E and A, respectively.
  - 93. (new)The method of claim 84, wherein:

P<sub>2</sub> is N or S;

P<sub>1</sub> is selected from the group consisting of Y, F, and L;

 $P_{1'}$  is selected from the group consisting of E, D, and A; and

P2' is A.

94. (new) The method of claim 84, wherein said substrate comprises an amyloid precursor protein (APP) amino acid sequence with a modified  $\beta$ -secretase processing site defined by said formula  $P_2P_1-P_1\cdot P_2$ .

- 95. (new) The method of any one of claims 84-94, wherein said peptide comprises an amino acid sequence having up to 50 amino acids.
- 96. (new) The method of any one of claims 84-94 wherein the peptide further comprises a first label.
- 97. (new) The method of claim 96 wherein the peptide further comprises a second label.
- 98. (new) The method of any one of claims 84-95 wherein the peptide further comprises a detectable label and a quenching moiety, wherein cleavage of the peptide between P<sub>1</sub> and P<sub>1</sub> separates the quenching moiety from the label to permit detection of the label.
- 99. (new) The method of claim 85, wherein said cysteic acid comprises a covalently attached label.
- 100. (new) The method of any one of claims 84-94, wherein the rate of cleavage of said peptide by said human aspartyl protease is greater than the rate of cleavage of a polypeptide comprising the human APP β-secretase cleavage sequence: SEVKMDAEFR (SEQ ID NO: 20).
- 101. (new) The method of any one of claims 84-94, wherein the rate of cleavage of said peptide by said human aspartyl protease is greater than the rate of cleavage of a polypeptide comprising the human APP Swedish KM→NL mutation, β-secretase cleavage sequence SEVNLDAEFR (SEQ ID NO: 19).
- 102. (new) The method of any one of claims 84-94, wherein the polypepetide with β-secretase APP processing activity comprises an amino acid sequence selected from the group consisting of
  - (a) the amino acid sequence of SEQ ID NO: 2,

- (b) a fragment of the amino acid sequence of SEQ ID NO: 2 that retains  $\beta$ secretase APP processing activity, wherein said fragment includes the aspartyl protease active
  site tripeptides DTG and DSG,
- (c) an amino acid sequence that is at least 95% identical to (a) or (b), wherein the polypeptide includes the aspartyl protease active site tripeptides DTG and DSG and exhibits β-secretase APP processing activity;
  - (d) the amino acid sequence SEQ ID NO: 4,
- (e) a fragment of the amino acid sequence of SEQ ID NO: 4 that retains  $\beta$ -secretase APP processing activity, wherein said fragment includes the aspartyl protease active site tripeptides DTG and DSG, and
- (f) an amino acid sequence that is at least 95% identical to (d) or (e), wherein said fragment includes the aspartyl protease active site tripeptides DTG and DSG and exhibits β-secretase APP processing activity.
- 103. (new) The method of any one of claims 84-94, wherein the polypeptide with  $\beta$ -secretase APP processing activity comprises an amino acid sequence selected from the group consisting of
  - (a) the amino acid sequence of SEQ ID NO: 2; and
- (b) a fragment of the amino acid sequence of SEQ ID NO: 2 that retains β-secretase APP processing activity, wherein said fragment includes the aspartyl protease active site tripeptides DTG and DSG.
- 104. (new) A method according to claim 103, wherein the polypeptide with β-secretase APP processing activity comprises a polypeptide purified and isolated from a cell transformed or transfected with a polynucleotide comprising a nucleotide sequence that encodes the polypeptide.
  - 105. (new) A method according to claim 95,

wherein the substrate is expressed in a cell transformed or transfected with a polynucleotide comprising a nucleotide sequence that encodes the substrate,

wherein the cell expresses the polypeptide with  $\beta$ -secretase APP processing activity;

wherein the contacting comprises growing the cell in the presence and absence of the test agent, and

wherein the measuring step comprises measuring APP processing activity of the cell.

- 106. (new) A method according to claim 105, wherein the contacting comprises administering the test agent to a transgenic non-human mammal that comprises the cell.
- 107. (new) A method according to claim 84, wherein the polypeptide is encoded by a polynucleotide comprising the nucleotide sequence selected from the group consisting of:
  - (a) the nucleotide sequence of SEQ ID NO: 1 or SEQ ID NO; 3,
- (b) a nucleotide sequence that hybridizes under the following stringent hybridization conditions to the complement of SEQ ID NO: 1 or 3:
- (1) hybridization at 42°C in a hybridization buffer comprising 6x SSC and 0.1% SDS, and
- (2) washing at 65°C in a wash solution comprising 1x SSC and 0.1% SDS;

wherein said nucleotide sequence encodes a polypeptide that exhibits  $\beta$ secretase APP processing activity.